

SLR:LDM  
F.#2011V02672

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

**CV 12 - 3229**

UNITED STATES OF AMERICA,  
  
Plaintiff,

Verified Complaint  
In Rem

Civil Action No.

- against -

REAL PROPERTY AND PREMISES LOCATED AT  
26 BOW STREET, FOREST HILLS, NEW YORK  
11375, UP TO AND INCLUDING THE SUM OF  
\$465,326.33,

**BRODIE, J.**

Defendant In Rem.

**GOLD, M.J.**

Plaintiff, UNITED STATES OF AMERICA, by its attorney,  
LORETTA E. LYNCH, United States Attorney for the Eastern District  
of New York, LAURA D. MANTELL, Assistant United States Attorney,  
of counsel, alleges upon information and belief as follows:

**PRELIMINARY STATEMENT**

1. This is a civil action in rem, pursuant to 18  
U.S.C. § 985, to forfeit and condemn to the use and benefit of  
the United States the real property and premises located at 26  
Bow Street in Forest Hills, New York, also designated as Block  
3252 Lot 36 in the Borough of Queens, County of Queens, City and  
State of New York, together with its respective buildings,  
appurtenances, improvements, fixtures attachments, and easements  
(the "Property"), up to and including the sum of \$465,326.33,  
pursuant to 31 U.S.C. § 5317(c), as property involved in a

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EASTERN DISTRICT  
OF NEW YORK

violation or violations of 31 U.S.C. §§ 5313 and/or 5324, or a conspiracy to commit any such violations, and/or as property traceable to any such violation or conspiracy.

#### JURISDICTION AND VENUE

2. This court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1345 and 1355.

3. Venue in the Eastern District of New York is proper, pursuant to 28 U.S.C. §§ 1355 and 1395, in that the acts and omissions giving rise to the forfeiture occurred in the Eastern District of New York, and the Property is located in the Eastern District of New York.

#### STATUTORY BACKGROUND

4. Pursuant to 31 U.S.C. § 5313(a) and the regulations promulgated thereunder, when a domestic financial institution, including banks and money service businesses, is involved in a transaction for the payment, receipt, or transfer of U.S. currency in an amount greater than \$10,000.00, the institution shall file a currency transaction report ("CTR") for each cash transaction, such as, by way of example, a deposit, withdrawal, exchange of currency or other payment or transfer by, through, or to a financial institution.

5. CTRs are filed with the Financial Crimes Enforcement Network at the Detroit Data Center on forms that require disclosure of, among other information, the identity of

the individual who conducted the transaction and the individual or organization for whom the transaction was completed.

6. These regulations also require that multiple transactions be treated as a single transaction if the financial institution has knowledge that they are conducted by, or on behalf of, the same person, and they result in currency either received or disbursed by the financial institution totaling more than \$10,000.00 during any single business day.

7. Many individuals involved in illegal activities, such as narcotics trafficking, tax evasion and money laundering, are aware of the reporting requirements and take active steps to cause financial institutions to fail to file CTRs in order to avoid detection of the movement of large amounts of cash. These active steps are often referred to as "structuring" and involve making multiple cash deposits or withdrawals in amounts less than \$10,000.00 on the same day or consecutive days in order to avoid the filing of CTRs. Structuring is prohibited by 31 U.S.C. § 5324(a)(3).

8. Pursuant to 31 U.S.C. § 5324, it is a crime for an individual to (a) "cause or attempt to cause a domestic financial institution to fail to file a report required under § 5313(a)", (b) "cause or attempt to cause a domestic financial institution to file a report required under § 5313(a) . . . that contains a material omission or misstatement of fact," or (c) "structure or

assist in structuring . . . any transaction with one or more domestic financial institutions" for the purpose of evading the reporting requirements of 31 U.S.C. § 5313(a).

9. Furthermore, 31 U.S.C. § 5317(c) provides for the forfeiture of any property involved in a violation of 31 U.S.C. § 5324, or any conspiracy to commit any such violation, and any property traceable to any such violation or conspiracy.

#### **FACTUAL BACKGROUND**

10. Jeffrey S. Brandler is an officer of Game World Distributors, Inc. a wholesale distributor of video games and systems located in Corona, New York. Jeffrey S. Brandler resides at the Property. Jeffrey S. Brandler jointly purchased the Property with his brother, Harry J. Brandler, in November 2008 for \$2,150,000. Harry J. Brandler, who resides at 921 Washington Avenue in Pelham, New York, is the Chief Financial Officer of Greenlight Masters GP LLC, a hedge fund that invests in corporate debt and equity.

11. According to bank records, on or about November 17, 2008, Jeffrey S. Brandler and Harry J. Brandler obtained a thirty (30) year variable rate mortgage (the "Mortgage") from CitiMortgage, Inc., account number XXXXXX1122 which was to be paid in full by December 1, 2038 in the amount of \$1,100,000. The Property serves as collateral for the Mortgage. In addition, on or about September 2, 2009, Jeffrey S. Brandler and Harry J.

Brandler obtained a home equity line of credit mortgage (the "HELOC ") from Citibank, N.A., account number XXXXXX4736 with a "Credit Limit" in the amount of \$420,000. As with the Mortgage, the HELOC is secured by the Property.

12. According to bank records, during the period between January 2009 and October 2011 there were approximately forty-eight (48) structured cash payments, in the total amount of approximately \$465,326.33, made towards the Mortgage and the HELOC, both of which were secured by the Property. Below is a chart that sets forth the date, amount and account for these structured payments. Each of the cash payments was made at branches of Citibank located in Queens, New York.

<b>PAYMENT DATE</b>	<b>MORTGAGE, CITIMORTGAGE ACCOUNT # 1122</b>	<b>HELOC, CITIBANK ACCOUNT # 4736</b>
01/05/09	\$9,583.33	
02/05/09	\$9,900.00	
03/06/09	\$9,900.00	
04/06/09	\$9,900.00	
05/07/09	\$9,900.00	
11/10/09		\$9,900.00
12/03/09	\$9,900.00	
12/08/09		\$9,055.00
01/08/10		\$9,900.00
01/26/10	\$9,900.00	
02/04/10		\$9,880.00
03/04/10	\$9,700.00	

03/11/10		\$9,800.00
04/15/10		\$9,500.00
05/06/10		\$9,980.00
06/04/10		\$9,950.00
07/08/10		\$9,900.00
07/21/10		\$9,688.00
08/19/10	\$9,900.00	
09/02/10		\$8,250.00
09/13/10	\$9,950.00	
10/07/10		\$7,354.00
10/14/10		\$9,980.00
11/01/10	\$9,980.00	
11/15/10		\$8,250.00
11/18/10	\$9,900.00	
12/15/10	\$9,900.00	
12/22/10		\$9,950.00
01/13/11		\$9,950.00
01/27/11	\$8,250.00	
02/14/11		\$9,900.00
02/26/11	\$9,000.00	
03/12/11	\$9,950.00	
03/17/11		\$9,980.00
04/13/11		\$9,900.00
04/19/11	\$9,800.00	
05/16/11		\$9,750.00
05/24/11	\$9,800.00	
06/22/11	\$9,900.00	
06/27/11		\$9,900.00
07/13/11		\$9,980.00
07/30/11	\$9,900.00	
08/09/11		\$9,900.00

08/23/11	\$9,950.00	
09/12/11		\$9,980.00
09/20/11	\$9,956.00	
10/07/11		\$9,980.00
10/25/11	\$9,950.00	
<b>TOTALS:</b>	<b>\$224,769.33</b>	<b>\$240,557.00</b>

13. According to records relating to the Mortgage and the HELOC, each of the above payments was in excess of the amount that the Brandlers were required to pay on the Mortgage and the HELOC. According to the same documents, the excess amount of the cash payments, made just below the reporting requirement, would have been applied towards the outstanding principal amounts owed on the Mortgage and the HELOC.

14. Each of the above cash payments was made in an amount of less than \$10,000.01 in order to avoid the filing of a CTR.

15. On or about November 8, 2011 a representative from Citibank N.A., contacted Harry J. Brandler regarding the nature of the cash payments on the Mortgage and the HELOC. On or about November 14, 2011, Harry J. Brandler responded to the bank representative and informed him that his brother Jeffrey S. Brandler, was making the cash payments on the Mortgage and the HELOC, and that the source of the payments was from the paychecks he received from his company.

**CLAIM FOR RELIEF**

16. Plaintiff repeats the allegations of paragraphs 1 through 15 as if fully set forth herein.

17. The Property, up to and including the sum of \$465,326.33, and all proceeds traceable thereto, was involved in and/or is traceable to transactions or attempted transactions which were structured with the intent to avoid currency reporting requirements under federal law, in violation of 31 U.S.C. §§ 5313 and/or 5324.

18. As a result of the foregoing, the Property, up to and including the sum of \$465,326.33, and all proceeds traceable thereto, is liable to condemnation and to forfeiture to the United States in accordance with 31 U.S.C. § 5317(c).

**WHEREFORE**, plaintiff, United States of America requests that, pursuant to 18 U.S.C. §§ 983 and 985, notice of this Verified Complaint be issued as to the Property; that due notice of these proceedings be given to all interested persons; that after further proceedings, the Property, up to and including the sum of \$465,326.33, be forfeited and condemned to the use of the United States of America; and that the plaintiff be awarded its



costs and disbursements in this action and for such other relief  
and further relief as this Court deems just and proper.

Dated: Brooklyn, New York  
June 25, 2012

LORETTA E. LYNCH  
UNITED STATES ATTORNEY  
Eastern District of New York  
Attorney for Plaintiff  
271 Cadman Plaza East  
Brooklyn, New York 11201

By: \_\_\_\_\_



Laura D. Mantell  
Assistant U.S. Attorney  
(718) 254-6253

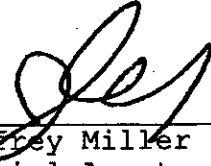
**VERIFICATION**

Jeffrey Miller, hereby declares as follows:

1. I am a Special Agent with the Internal Revenue Service.
2. I have read the within Verified Complaint In Rem and know the contents thereof.
3. I believe that the matters contained in the within Verified Complaint In Rem are true and accurate to the best of my knowledge, information and belief.
4. The source of my information and the grounds for my belief are personal knowledge, information provided by other law enforcement officers, and the official files and records of the United States of America.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: Brooklyn, New York  
June 25, 2012

  
\_\_\_\_\_  
Jeffrey Miller  
Special Agent  
Internal Revenue Service